

System of  
Environmental  
Economic  
Accounting

# SEEA and Nature-based Solutions

Finding the connections – An initial investigation

Presentation to Expert Forum for Producers and Users of Climate Change-related Statistics

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United Nations

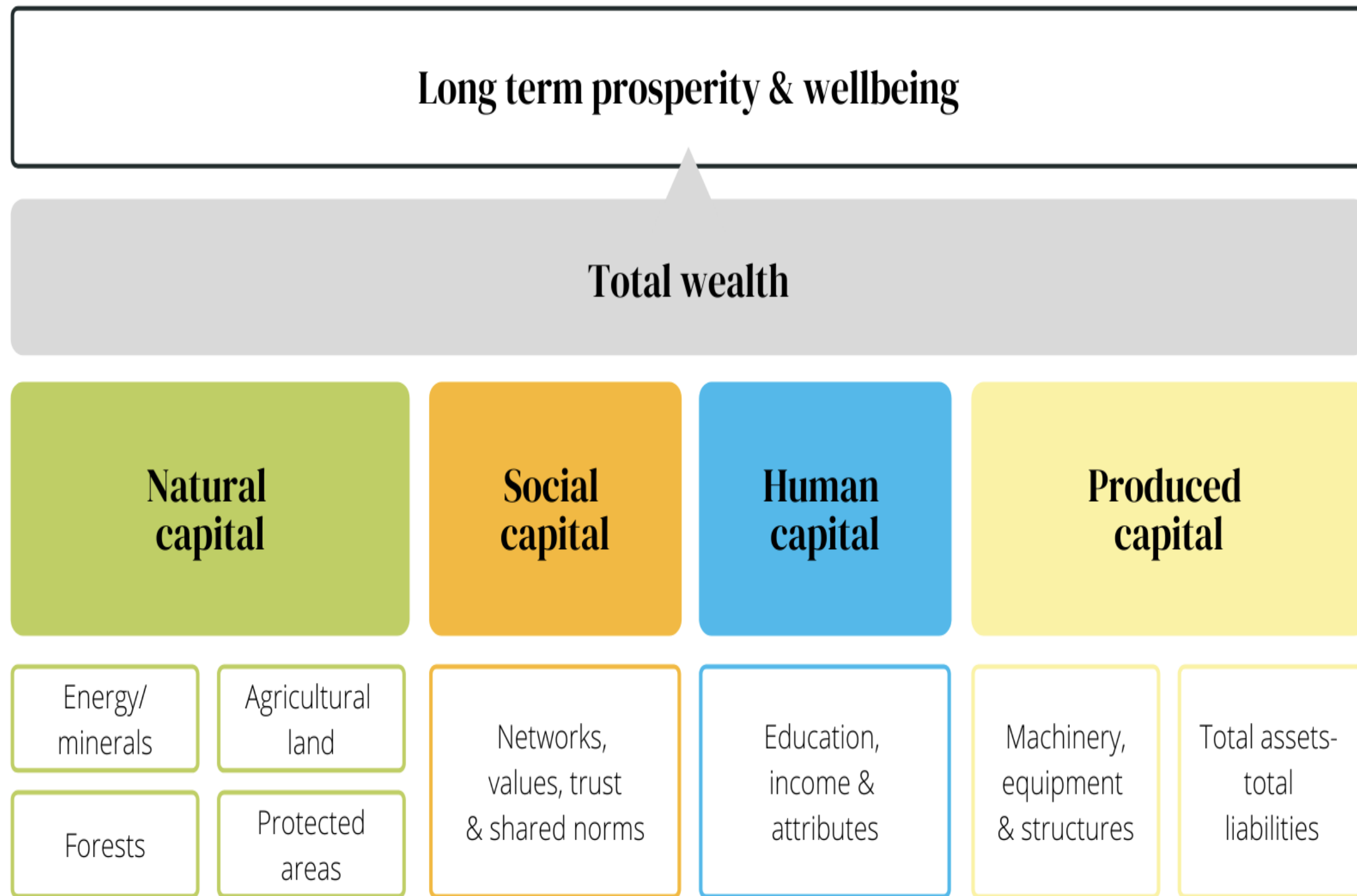
# Background

- Adoption of the SEEA Ecosystem Accounting in March 2021 and the widespread support for improved measurement of ecosystems and biodiversity has seen efforts move from the conceptual to the practical.
- It is now widely accepted that successful implementation of SEEA requires clear articulation of the links to policy and applications. There are many of these policies as evidenced by the range of reports from UNSD and World Bank on policy linkages.
- A particular policy area gaining significant momentum is Nature-based Solutions (NbS). This work is being undertaken to raise awareness of the potential links between SEEA and NbS and hence further support the implementation of the SEEA.

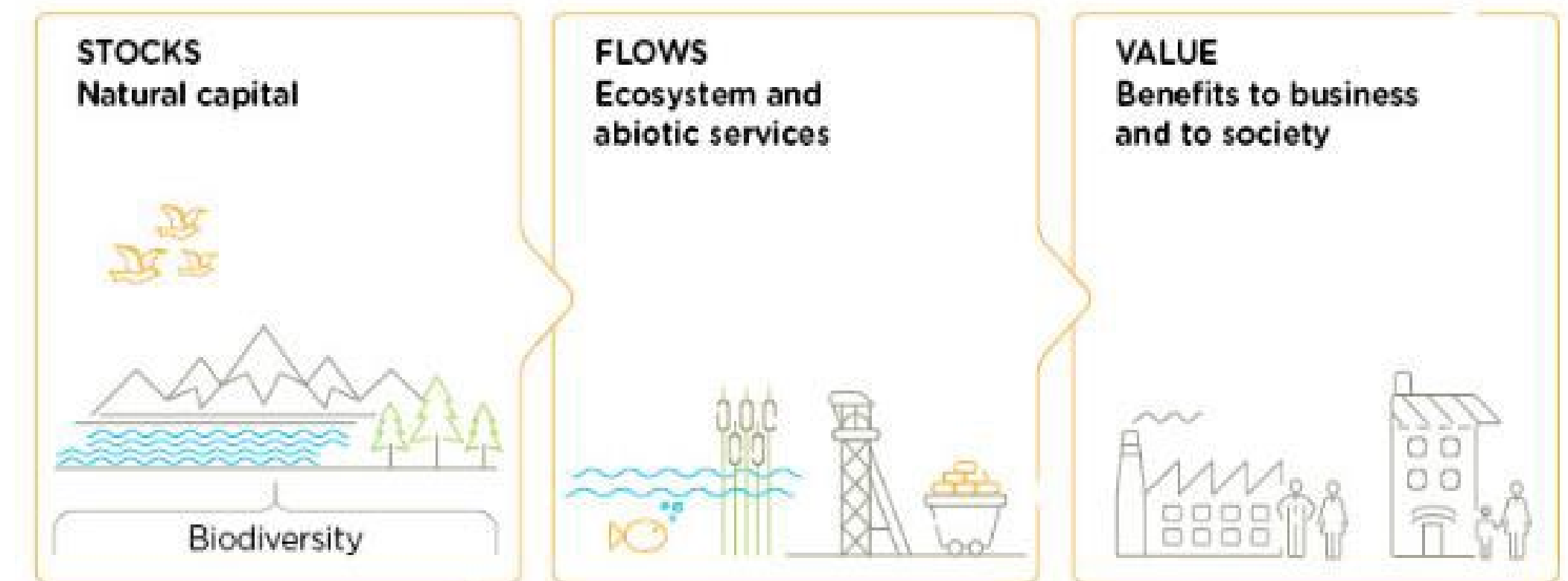
# Recognising Natural Capital

*"A country could exhaust it's mineral resources, cut down its forests, erode its soil, pollute its aquifers, and hunt its wildlife to extinction but measured income would not be affected as these assets disappeared"*

*(Repetto, 1986)*



**Natural Capital** is the **stock** of renewable and non-renewable **natural resources**, (e.g. plants, animals, air water, soils, minerals) that combine to yield a **flow** of benefits to people (Natural Capital Protocol, 2016)



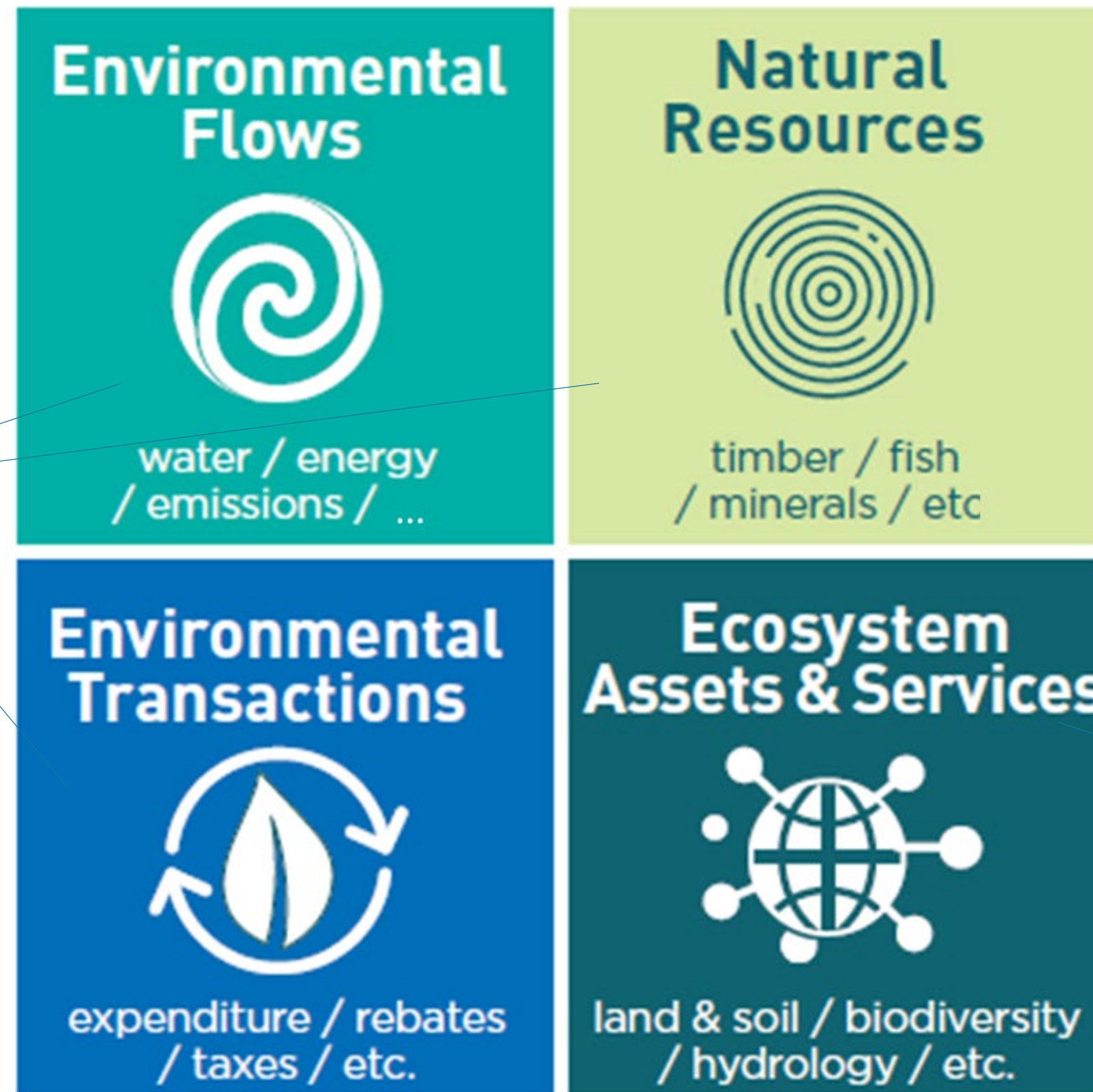


# UN System of Environmental-Economic Accounting (SEEA)

Comprehensive accounting-based framework to record the relationship between the environment and the economy and people



## SEEA Framework



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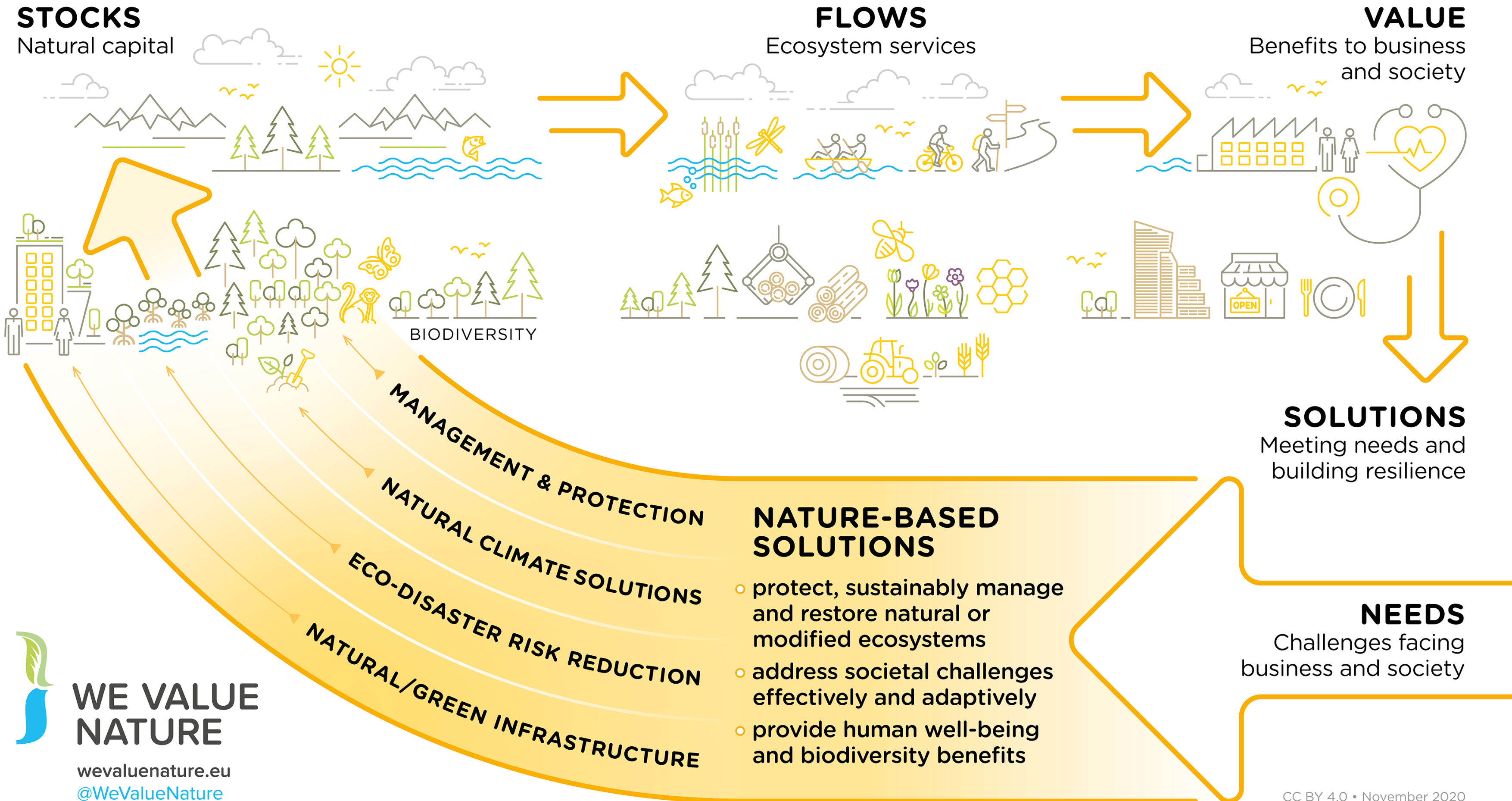
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# Nature-based Solutions : What are they?

- Umbrella framework covering a range of different actions and policy responses largely concerning climate change and biodiversity loss. Includes:
  - > Ecosystem restoration; disaster risk reduction; blue/green infrastructure; regenerative and climate smart agriculture; environmental markets and “bankable” solutions
- Definitions emerging – IUCN, EU and most recently UN Environment Assembly
  - > **Nature-based Solutions are “actions to protect, conserve, restore, sustainably use and manage natural or modified terrestrial, freshwater, coastal and marine ecosystems, which address social, economic and environmental challenges effectively and adaptively, while simultaneously providing human well-being, ecosystem services and resilience and biodiversity benefits”.** UN Environmental Assembly, Resolution on Nature-based Solutions for supporting sustainable development, March 2022
- Key features
  - > There is a need to focus on **managing nature and ecosystems**
  - > There is a need to **secure benefits** to people and human well-being
  - > There is a need to **secure environmental condition and biodiversity outcomes.**



# INVESTING IN NATURAL CAPITAL

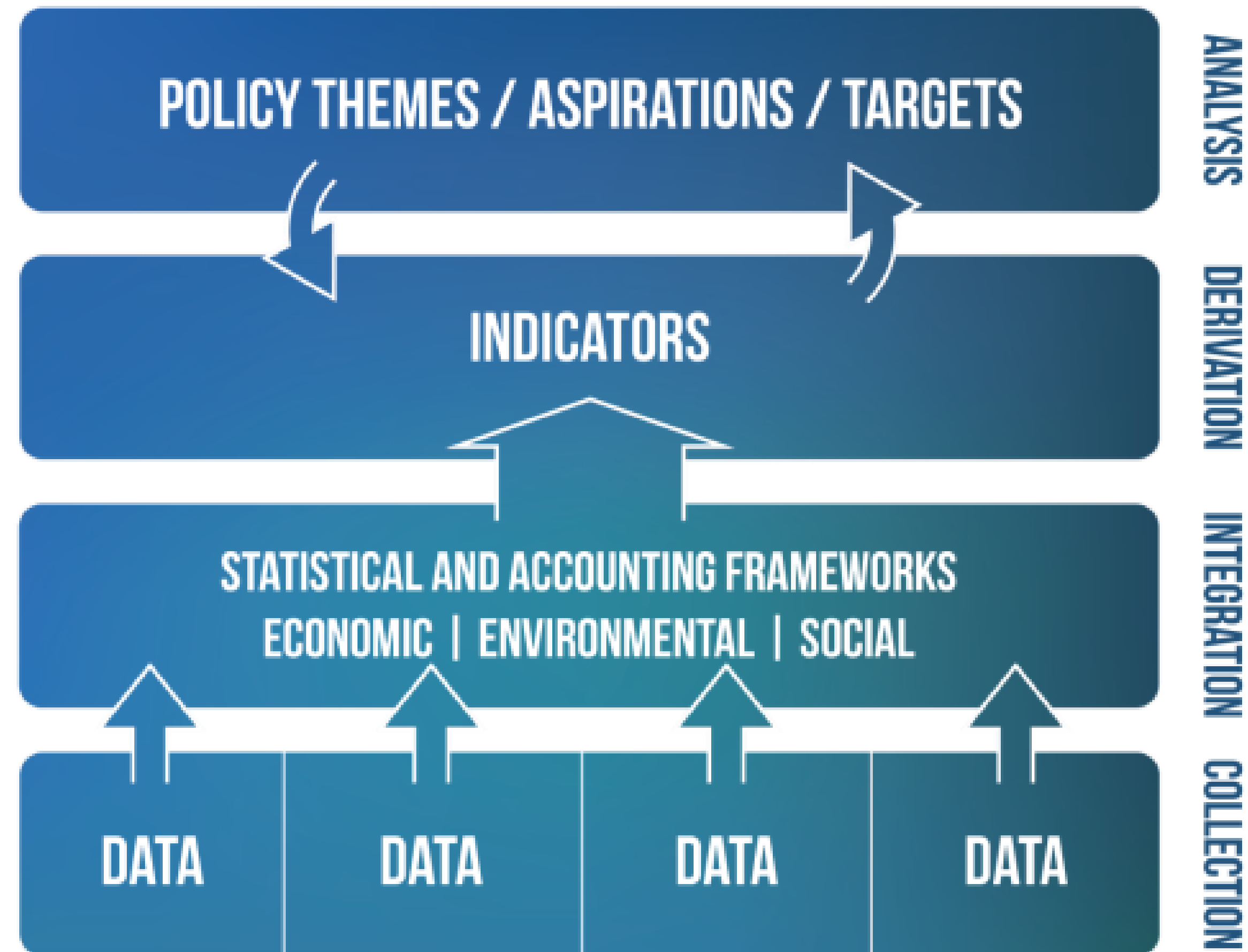


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# Logic and benefits of linking NbS to the SEEA

- A key barrier to implementing NbS is a lack of integrated, spatially relevant environmental and economic data that can be consistently compared and can be used to identify locations requiring action, design relevant solutions and evaluate and monitor progress.
  - > World Bank 2021 report “Unlocking Nature Smart Development” highlights a core building block will be “a solid scientific and economic base for action”
- Clear role for the SEEA to underpin consistent application of the concepts, definitions, classifications and data management processes required to support NbS
  - > Reduced data collection and management costs for different policy solutions
  - > Reduced costs of training, system development and exchanging experience
  - > Common language to engage with stakeholders at landscape and community level

# The role of accounting and statistical frameworks





# NbS as a process

## NbS step\*

## SEEA's Role

1. Establish landscape partnership

Common language for describing, and ensuring inclusion of, multiple stakeholders across private, public and community sectors.

2. Understanding landscape condition and context

Comprehensive baseline of information on the current state and past trends across environmental, economic and social variables.

3. Common vision and collaborative planning

Baseline can be used to describe alternative visions in a comparable manner, to undertake risk assessments, to identify areas within a landscape of most concern, and to model the effects of alternative scenarios, interventions and policies.

4. Take action

Information used to secure finance, to communicate progress to stakeholders and to support exchange of knowledge among those implementing the relevant policies and actions .

5. Monitoring for adaptive management and accountability

Framework for updating baseline regularly to support M&E and allow direct connection to standard financial verification and audit.

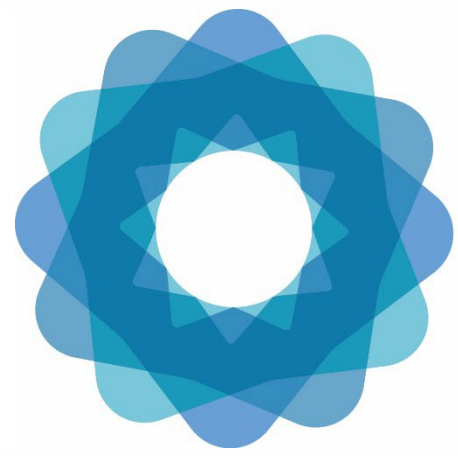
# NbS and work outcomes

- A joint ILO, UNEP and IUCN project is underway to describe and quantify to the extent possible the links between NbS and outcomes for employment, work and decent work.
- One aim in the project is to propose a conceptual framework and associated approaches to measurement and quantification. This has involved an on-going dialogue between experts in SEEA and experts in labour statistics and also involving NbS experts.
- Steady progress on the drafting is being made. To date, three key issues have emerged:
  - > Clarifying the relevance and role of statistical frameworks to underpin economic analysis and long-term monitoring
  - > Aligning language and expression of concepts between SEEA and labour statistics standards
  - > Establishing a common understanding of NbS activities and their classification

# Plans

- Finalise a paper on the connections between SEEA and NbS. Aims for the paper to
  - > Build linkages between the statistical community and the NbS community
  - > Summarise the SEEA and its various accounts
  - > Highlight the common framing around seeing the environment as an asset that can be the focus of investment to secure beneficial outcomes for people
  - > Describe examples of NbS initiatives (e.g. UN Decade of Ecosystem Restoration)
  - > Provide clear materials for statisticians to support their engagement with NbS policy community
- Identify projects or case studies that can be used to test the potential role of the SEEA in supporting the design, implementation and assessment of NbS activities
- Propose a set of SEEA-based indicators that may be used to support reporting on progress wrt NbS activities





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**THANK YOU**



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